

30. A STUDY ON ENTREPRENEUR AS A GOOD DECISION MAKER IN CHANGING PERSPECTIVE OF BUSINESS AND ECONOMY

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ABSTRACT

Change is a constant thing in the business. No business can achieve success without inculcating changes in the environment and the economy. Today entire world is facing the health crisis which has resulted in the huge changes in the business environment and global economy had slashed down badly. Though most of the small businesses are in closure stages, there are certain line of business which have gained a huge market or profits in this situation also. This may be because of the decisions taken by the organization. Entrepreneurs play a vital role in lifting the economy by improving their business through better and best decisions. Just making decisions will not yield the results. The work of entrepreneurs starts from decision making. Converting these decisions into actions will make business achieve market leadership.

This paper focuses on the role of entrepreneur as a decision maker in the changing perspective of business and economy.

KEYWORDS

Decision-making process; Entrepreneur; Health crisis

INTRODUCTION

Entrepreneurs occupy a central

position in a market economy. The entrepreneurs act as the spark plug in the engine of economy, activating and stimulating all economic activity. They put a lot of hard work for starting, expanding, modernizing and socializing the organization. Entrepreneur as a decision maker of the organisation will not only be responsible to earn good profits and satisfy their stakeholders, but also there are many other important aspects that should be included in the decision-making process of the business which indirectly affects the economy of the country. Economy of the country will always be dependable on all the three important sectors (Primary sector, Secondary sector and Tertiary sector) growth. Therefore, business being in the secondary sector of our country plays an important role in growth of an economy. It entirely depends on the decisions made by the entrepreneurs and how they are executed successfully to know the status of the economy of any country.

HOW THE CORRECT DECISIONS WITH PROPER IMPLICATIONS IMPACT ON CHANGING BUSINESS AND ECONOMY

Decisions whether they are good or not will be known only after its implication in the business. If the implication

and execution of the decision goes perfect and satisfies the objectives of the business, then expansion and modernization will become easier task. Expansion of business to the world market will help in achieving the market leadership which will in turn helps to boost the economy of the country.

The best example for the successful decision is the decision made by the entrepreneurs of Reliance Jio. When Mukesh Ambani launched Jio he came up with "Penetration Pricing Strategy". When Jio entered the telecommunication market the customers were allowed free local and STD calls, unlimited data and number of special offers and started to gain the leadership position in the market. As of 31 December 2019, Jio became the largest mobile network operator in India and the third largest mobile network operator in the world with over 387.5 million subscribers. This made the world look into India's telecom industries.

The current situation of global health crisis has posed a challenging task for all entrepreneurs around the world. The decision-making process during this time will be more crucial than any other situation tackled by them before. The market for many products had become almost nil. Present situation also demands the entrepreneur to make decision keeping not only business in mind but also social responsibility too.

Most of the entrepreneurs have decided to change their product line to cope up with the pandemic situation. Where these decisions to change business product line to produce masks, hand sanitizers, gloves and food products are not only providing employees the job continuity but also selling them at reasonable price or sometimes providing them free of cost will help the society too. And not to forget that even these businesses yield the profits though it won't be in maximum level but at least to the extent of providing salaries to their employees and running

the organization.

The companies like Bauer, Brooks Brothers, Carhartt, Eclipse International, Gap Inc., Michael Costello and Karla Colletto Swimwear, Loreal's, My Pillow etc., which were engaged in manufacture of different items dropped everything and switched to production of masks and shields to fight against this pandemic situation. Even Ford has partnered with 3M to produce medical equipment's.

Wipro Consumer Care selling hand sanitizers under the name 'Hygienix' and Asian Paints Ltd under the name 'Viroprotek'. Consumer goods companies such as ITC Ltd., Dabur India Ltd., Marico Ltd., Emmi Ltd. and Jyothy Laboratories Ltd. have rushed to capture a portion of the market. Sugar mills in Maharashtra too, are being allowed to produce hand sanitizers for bulk use.

HOW THE IMPROPER DECISION-MAKING EFFECT THE BUSINESS AND THE ECONOMY

All the decisions at all the time will not yield good result. It may be because of failure in proper implication of the decision or small miscommunication of the decision to the employees. So, the decision-making process will be called successful decision only after obtaining the results. Therefore, Entrepreneur has to scrutinize each and every step they take in making decision especially in critical situation. One small mistake may also lead to the closure of the business too.

The best example for the failure of decision is the decision made by the entrepreneurs of Nokia. In October 1998, Nokia became the best-selling mobile phone brand in the world. But when the Android was launched Nokia had to choose between Windows and Android. Nokia chose Windows over Android which suffered inferiority when compared to the other mobile phone company which chose Android and those companies were able to provide better services to their

customers and survive in the industry even today. The entrepreneurs lacked technical competence and they had a lack of vision. Their one decision made the name "NOKIA" less visible in the industry. One decision of Nokia turned down their chances of survival in the industry.

And the present situation demands high level of consciousness towards the decision because this pandemic will not only lower the business of the organization but may also lead to the closure of the entire business which will mostly affect the employees of the organization.

We know that small businesses define American's Economy. But more than 1,00,000 small business of America has closed forever due to raise in the health crisis. Many of them are having an opinion that this may become the next level bankruptcy activity that nobody in business have ever seen in their business life time.

REVIEW OF LITERATURE

According to Valliere and Peterson, 2009, Innovative entrepreneurs may create product or process innovations and open new markets. There are many examples of radical innovations introduced by entrepreneurs who founded firms like eBay, Google, Amazon, Oracle, SAP, Microsoft, Apple, and Skype. The companies emerging out of these innovations often affected economic growth.

In the words of Klepper, 2009, Creative entrepreneurs thus offer a key value-generating contribution to economic progress. Their pronounced role with their new firms may be driven by the fact that compared with incumbent suppliers, new firms may invest more in searching for new opportunities. Incumbent suppliers are more reluctant to do so, either because of their failure to respond to changes in their environment due to organizational inertia, or because these

newly invented goods compete with their established range of products. Therefore, established firms often miss the opportunity to adopt new ideas, and setting up one's own business appears to be the only way for inventors to commercialize their knowledge.

According to Carree and Thurik, 2008, Job creation by entrepreneurs is another crucial issue. Entrepreneurs and their new firms can stimulate employment growth by generating new jobs.

STATEMENT OF PROBLEM

The decision-making process includes certain important steps. And we know that entrepreneurs will always takes decision keeping in mind organization's benefit and objectives too. But the changing situation around the world will pose a new and challenging task to the entrepreneurs. This situation also expects entrepreneur's responsibility towards society is fulfilled. Even a small mistake in decision-making now may pose a big threat to the organisation's brand image. So, lot of care and expert suggestions should be taken before coming to the final decision. Entrepreneur should also keep in mind that his decisions sometimes may adversely affect the economy.

Our study focuses on how the entrepreneur's decision brings a change in the perspective of the business and the economy.

OBJECTIVES OF THE STUDY

The prime objective of the study is to identify the decision-making quality of an entrepreneur. The study has been driven to achieve the following objectives.

- 1) To know the importance of the right decision-making.
- 2) To ascertain the challenges faced by an entrepreneur in implication of their decisions.
- 3) To know the importance of social responsibility in decision-making process.

- 4) To know the impact of the good decision-making on changing perspective of business and economy.
- Scope and Limitations of the Study
- 1) This study targeted the General public.
 - 2) Limited availability of literature is another significant constraint linked with the present study.
 - 3) Due to time constraint the survey was restricted to small sample size. Thus, the results cannot be generalized to the entire population.
 - 4) Inability of some respondents to answer certain questions.

RESEARCH METHODOLOGY

Methodology is the method used for evaluating reliability and suitability of one significant method for applying it in the study. It includes the concepts such as theoretical model, phases, quantitative techniques and qualitative techniques and analytics. This study is conducted using both primary as well as secondary data.

Primary data are those data that has been collected for this and thus be original in character. Questionnaire technique through Google forms was used for collection of primary data. Secondary data are that information which have already collected and which have already been through statistical process. We have collected the secondary data from Journals, Newspaper, reference books and websites.

ANALYSIS AND INTERPRETATION

The analysis and interpretation of the data is carried out in single phase. The single phase, which is based on the results of the questionnaire, deals with a single quantitative analysis of the data. And, which is based on the results of the interview and focuses group discussions, is a qualitative interpretation. The total sample of the present study comprises of 113 respondents.

Graph representing the Gender of the respondents

Gender of Respondents

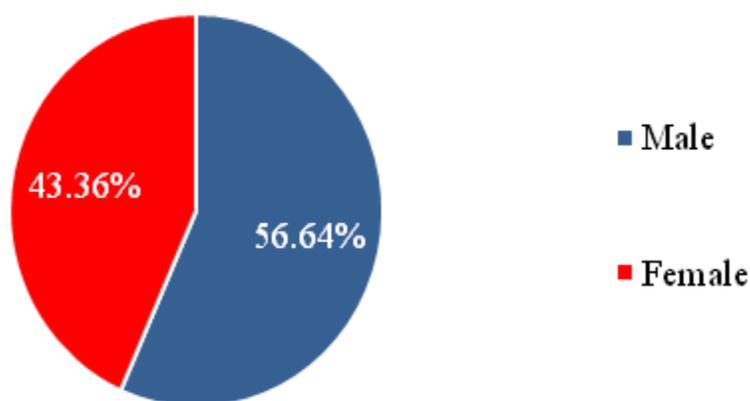


Fig. 1

The above pie diagram helps us to know that in total 113 respondents 56.64% of them are male and 43.36% of them are female. This shows that male respondents are more than female respondents. (Fig. 1)

Graph representing the Age of the respondents

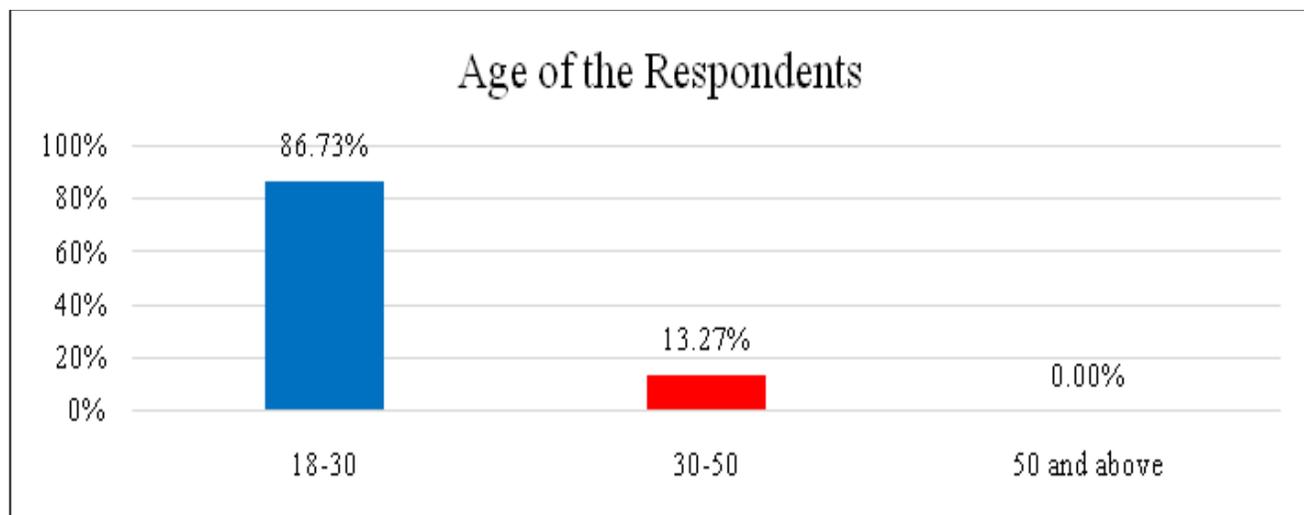


Fig. 2

From the above chart, it clearly depicts that the information which is provided by the respondents are wholly from the age 18 to 30 years that is 86.73%. In addition to this, 13.27% of the respondents are aged between 30 to 50 years and none of the respondents are aged above 50 years of age. (Fig. 2)

Graph representing occupation of the respondents

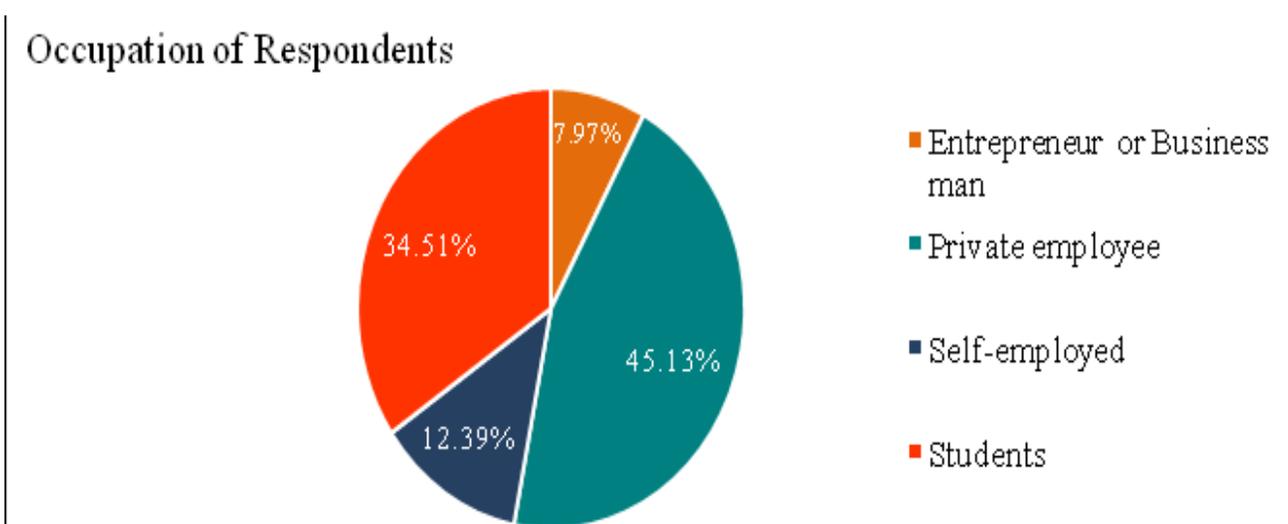


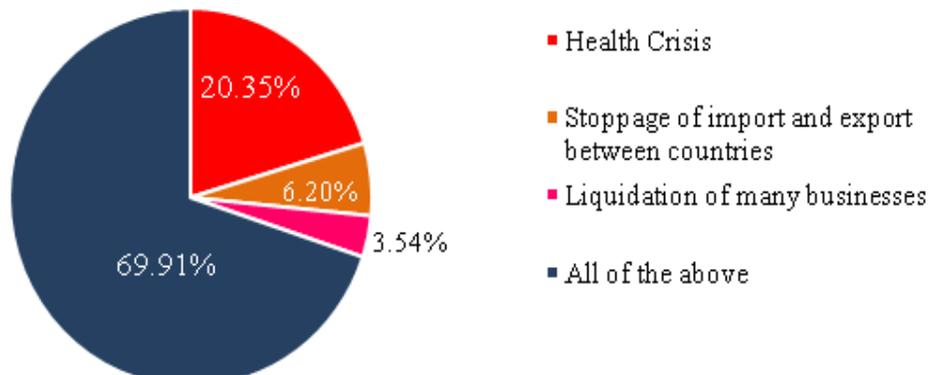
Fig.3

From the above Pie diagram, it clearly depicts that among 113 responses, 45.13% of responses are from Private employees and 34.51% of responses are from Students. 12.39% of responses are from those respondents who are Self-employed and remaining 7.97% respondents are Entrepreneurs or Businessman. (Fig. 3)

Graph representing reason for the collapsing economy around the world

From past few months the economy all over the world is drastically collapsing. The above graph represents the reason in context of business for collapsing economy. Among the total respondents 69.91% of them have an opinion that all the mentioned reasons are affecting the economy. 20.5% of them thinks that health crisis is the reason. 6.20% of them have a thought that stoppage of imports and exports and 3.54% of them agrees that liquidation of many business is the reason. (Fig. 4)

Reason for collapsing economy in Business context



Graph representing the main attributes to be included in entrepreneur’s decision-making

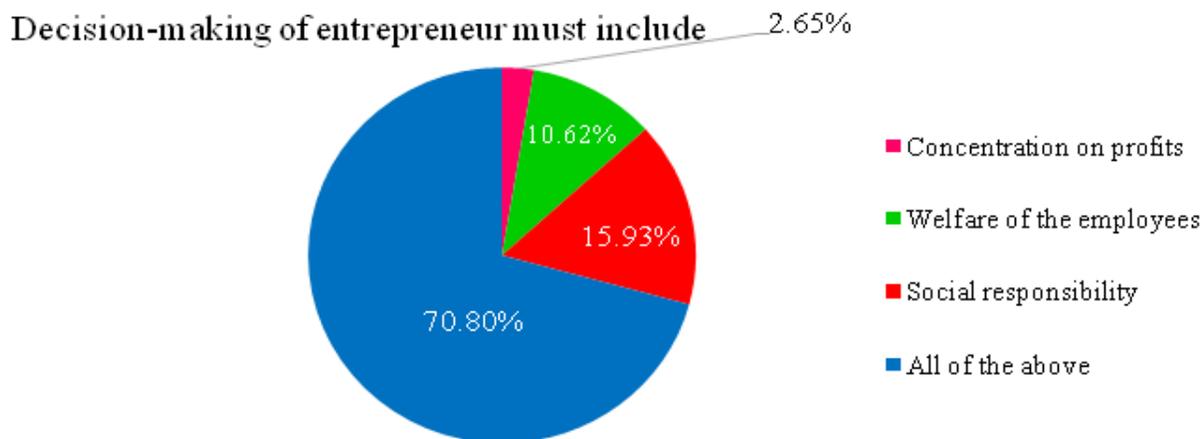
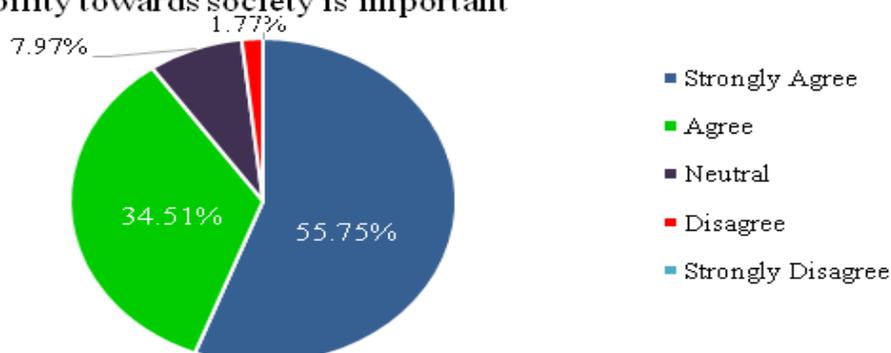


Fig. 5

Decisions taken by an entrepreneur will always be with respect to the growth of the business. But keeping in mind the present scenario, the above chart helps us to analyse the attributes that are to be included in the decision of the entrepreneur. About 2.65% of them says profits must be concentrated. 10.62% of the respondents have a view that decision must include the welfare of the employees. 15.93% of them have an opinion that it should include the social responsibility. About 70.80% of them think that all the above attributes are important for decision-making. (Fig. 5)

Graph representing importance of responsibility towards society in decision-making in present context (Fig.6)

Presently responsibility towards society is important



The main objective of any business is making profits. But in this changing environment importance towards society also plays a vital role in making decision. From the above pie diagram, we can analyze the responses towards importance of social responsibility in decision making. About 55.75% of them strongly agrees to the point, 34.51% of them agree to this statement, 7.97% of them are neutral to this point and 1.77% disagrees to that social responsibility is not so important. (Fig. 6)

Graph representing that right decision will be successful only by its proper implication

Right decision must be accompanied by perfect implication

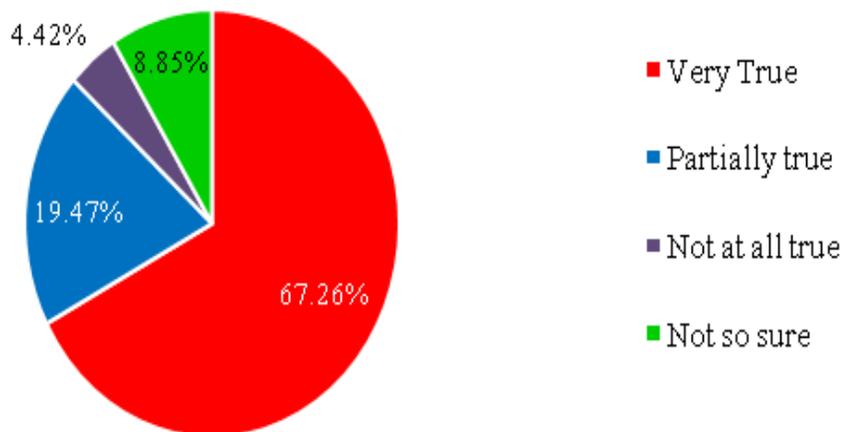


Fig. 7

Along with decision, its implications also play an important role growth of any business. The above chart explains, right decision must be accompanied by the proper implication. 67.26% of the respondents says that it is very true. 19.47% of them thinks that it is partially true. 8.85% of them have a thought that it is not at all true and 4.42% of them are not sure about this point. (Fig.7)

Graph representing that decision to change product line presently is a good decision

Is changing the product line a good decision

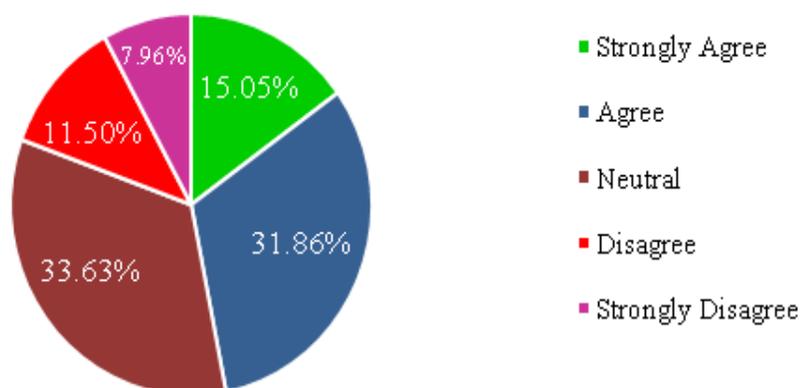


Fig.8

Most of the businesses are now changing their product line to cover their losses and to retain in the market. The above chart helps us to analyze, Is changing product line can be a good decision. Among 113 respondents, 33.63% of them neutral about this point. 31.86% of them agrees to this statement. 15.05% of them strongly agree that changing product will be good decision. 11.50% of them disagree to this statement and 7.96% of them strongly disagree to it. (Fig. 8)

Graph representing the decisions made by entrepreneur for business will indirectly affect the economy of the country

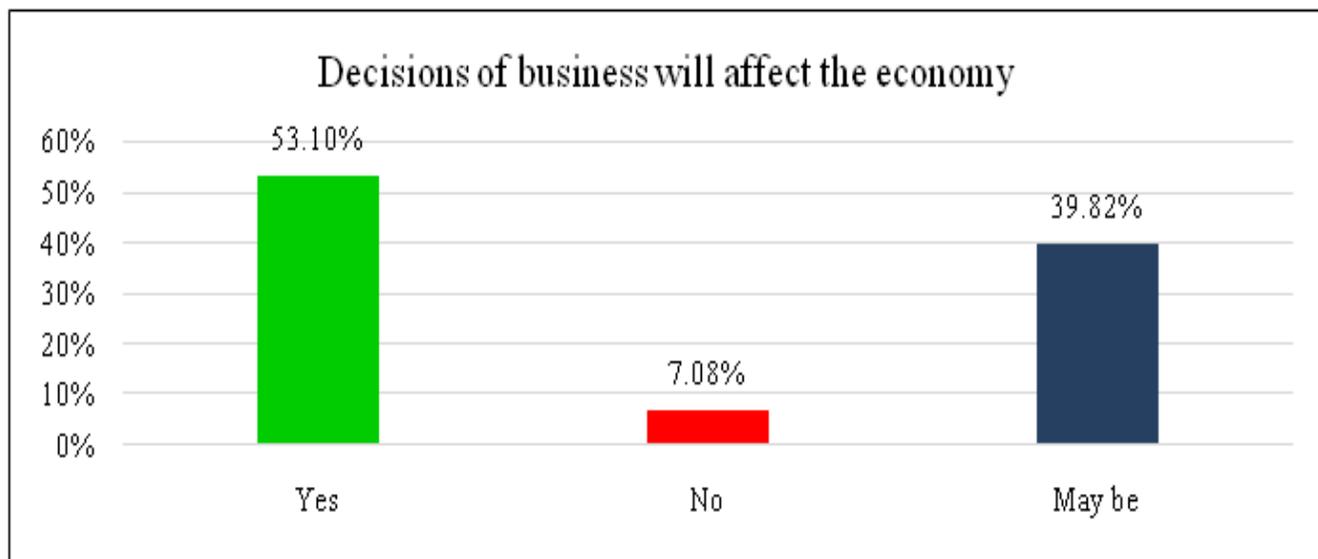


Fig. 9

Though the decisions made by the entrepreneur will not directly affect the economy. But the decisions are made to the growth of business which will indirectly affects the economy of the country. From the above chart, we can analyze that among total respondents 53.10% of them says 'yes' decision of the business will indirectly affects the business. 39.82% of the respondents are not sure about this statement and 7.08% of them have an opinion that decisions of business will not affect the economy. (Fig. 9)

FINDINGS

From the present study we can analyze that, out of 113 respondents 56.64% of them are male and majority of the respondents i.e. 86.73% of them are aged between 18-30 years. Therefore most of our respondents are adults. In this about 45.13% of them are private employees, where this will help us to know the employees point of view as well. The economy all over the world is collapsing because of many reasons. But in business point of view, about 69.91% of the respondents have an opinion that health crisis, stoppage of imports and exports and liquidation

of many small business is the reason behind the collapsing economy. To bring the economy in stable state, entrepreneur must include profit objective, welfare of the employees and social responsibility in his decision-making process according to 70.80% of the respondents. And 55.75% of them strongly agrees and 34.51% of the respondents agrees that responsibility of entrepreneur towards society presently is very important factor in decision-making. Only the decision making is not enough, with that proper implication of decision is needed and 67.26% of the respondents also have a

thought it is very true. About 31.86% of the respondents agrees and 15.05% of them strongly agrees that changing product line will be a good decision in context of the present situation. 53.10% of the respondents have an opinion that the decisions made for growth of the business will affect the economy of the country.

SUGGESTIONS

- The entrepreneur should develop the capability of the viewing the possible future to retain their brand image.
- The entrepreneurs should create more employment opportunities as it will uplift and support people by increasing their quality of life and overall standard of living. This can be done by opening more branches in rural side for manufacturing masks, gloves etc.
- The entrepreneurs should increase their exports as it directly contribute to productivity and earnings of the region and this in turn strengthens the economy.
- This is the best time for an entrepreneur to increase their brand image. The decision of entrepreneur should include the social responsibility which in turn lowers their tax component and also builds brand image in minds of people.

CONCLUSION

Entrepreneur is one of the most responsible person in the organization. Each and every decisions made by an entrepreneur will always affect the objectives of business and also the economy of the country. The present situation also expects entrepreneur's responsibility towards society, which increase in standard of living of people and indirectly upholds the status of the economy. Therefore, decisions made for business is not only 'business decisions' but also the country's decision.

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